



REPORT FOR ACTION

Request for Additional Funds for Construction and Consulting Services for Garage Restoration Project at 40 Larch Street (Car Park 150)

Date: May 6, 2026

To: Board of Directors, Toronto Parking Authority

From: President, Toronto Parking Authority

Wards: Ward 10 (Spadina - Fort York)

SUMMARY

The purpose of this paper is to seek authorization from the Toronto Parking Authority Board of Directors (the Board) for additional consulting and construction fees required to address structural deficiencies discovered during the current garage restoration project at Car Park 150 located at 40 Larch Street (CP 150).

As background, Toronto Parking Authority (TPA) is advancing the approved capital rehabilitation project originally valued at \$5,245,943.42 at CP 150 as authorized by the Board at its meeting on March 4, 2025.

During removal of the asphalt traffic deck and waterproofing system, TPA's structural consultant, Sense Engineering (GTA) Ltd., identified structural irregularities, including radial cracking at multiple column locations.

TPA immediately implemented emergency safety measures, including temporary shoring to stabilize the structure. These measures were completed promptly to ensure public safety and maintain the structural integrity of the facility while a comprehensive investigation was undertaken to determine the cause, extent, and depth of the radial cracking.

Sense Engineering completed its review of the deficiencies identified through a structural investigation and determined that additional, more complex design and construction-related work is required. The investigation identified several deficiencies in the existing structure, including differences between the original design drawings and

the facility's actual structural conditions and column construction details that reduced the slab's load-carrying capacity. The investigation also confirmed the need to reduce structural dead load by replacing the existing asphalt traffic deck with a lighter-weight traffic deck system, such as polyurethane methacrylate (PUMA), which provides comparable durability while reducing load on the structure.

The structural analysis and proposed structural repair details were independently peer reviewed by Engineering Link and Honeycomb Engineering, respectively.

To proceed with the required corrective work, TPA is seeking the Board to increase:

- the construction contract with Heritage Restoration Inc. (HRI) from \$5,245,943.42 to a total of \$12,005,943.42, excluding HST, including \$5,260,000 in structural repair costs and a \$1,500,000 contingency; and
- the consulting contract with Sense Engineering (GTA) Ltd. from \$552,260 to \$1,052,260, excluding HST, to cover expanded structural analysis, additional investigation and testing, detailed strengthening design, and construction-phase support.

Despite the significant increase in project cost resulting from this unforeseen scope, the additional work is directly and materially connected to the original CP 150 rehabilitation project/tender. The work arises from structural conditions identified during execution of the approved rehabilitation scope and is necessary to complete the project safely and effectively.

To confirm that HRI's proposed change order costs were reasonable, competitive, and aligned with industry norms, TPA engaged its retained cost consultant to conduct an independent review. The review determined that HRI's proposed costs were approximately 20% below expected industry benchmarks.

As such, the additional structural repair and traffic deck replacement work is appropriately managed as a change order to the existing contract, rather than as a separate procurement. Retendering the work would introduce unnecessary delay, increase project risk, and potentially compromise continuity of design responsibility, construction sequencing, and site safety. It may also expose TPA to contract termination costs, remobilization costs, claims for delay, and additional carrying costs associated with extending the project schedule.

Proceeding by change order allows the required repairs to advance efficiently while maintaining accountability, cost control, and alignment with the original project objectives. This approach also reduces the risk of further disruption to the facility, the supported Toronto Community Housing Corporation (TCHC) residential buildings, and the City-owned public laneways above the structure.

RECOMMENDATIONS

The President, Toronto Parking Authority recommends that:

1. The Toronto Parking Authority Board of Directors provide authority to the President, Toronto Parking Authority, to amend contract 2025-CON-CP150-B10 for the Garage Restoration project located at 40 Larch Street (Car Park 150) with Heritage Restoration Inc. by increasing the current construction contract valued at \$5,245,943.42, by \$5,260,000 in additional structural repairs and \$1,500,000 in contingency allowance, for a total approved construction contract value of \$12,005,943.42 excluding Harmonized Sales Tax (HST).
2. The Toronto Parking Authority Board of Directors provide authority to the President, Toronto Parking Authority, to amend contract 2023-CS-CP150-B10 for the Garage Restoration project located at 40 Larch Street (Car Park 150) with Sense Engineering (GTA) Ltd. by increasing the current consulting contract valued at \$552,260, by \$500,000 for additional structural design, construction review, and contract administration fees, with the sum total approved valued at \$1,052,260 excluding Harmonized Sales Tax (HST).

FINANCIAL IMPACT

The amount to amend the construction contract for the 2025-CON-CP150-B10 - Garage Restoration at CP150 consists of current construction contract valued at \$5,245,943.42, plus \$5,260,000 in additional structural repairs, plus \$1,500,000 in contingency allowance for a total approved construction contract value of \$12,005,943.42 excluding HST.

The amount to amend the consulting contract for the 2023-CS-CP150-B10 - Garage Restoration at CP 150 consists of current contract valued at \$552,260, plus \$500,000 in additional consulting fees, being the sum total of \$1,052,260 excluding HST.

Funding for this work is available in the approved TPA 2025 Capital Budget, TPA909081-1, Internal Order 700515.

DECISION HISTORY

At its meeting on March 4, 2025, the Toronto Parking Authority Board of Directors approved the award of the Garage Restoration project located at 40 Larch Street (Car Park 150) for 2025-CON-CP150-B10 to Heritage Restoration Inc., having submitted the lowest compliant bid and meeting all specifications in conformance with the Construction Tender requirements, in the amount of \$3,155,943.42 in base scope, plus \$1,100,000.00 in optional items allowance, plus \$990,000.00 as a contingency

allowance, being the sum total of \$5,245,943.42 excluding HST. Further information about this report can be found at the link below:

[Agenda Item History - 2025.PA13.8](#)

COMMENTS

TPA is advancing the approved capital rehabilitation project at CP 150 as authorized by the Board at its meeting on March 4, 2025. CP 150 is a 38-year-old, four-level underground parking facility with 332 parking spaces, accessed from Dundas Street West and Spadina Avenue. The garage is located beneath and provides structural support to multi-story residential buildings owned and operated by TCHC, as well as public laneways under the jurisdiction of City of Toronto Transportation Services. In 2025, the facility generated approximately \$3.5 million in revenue and delivered an estimated \$2.1 million contribution, reflecting the continued profitability and strategic value of this location within TPA's off-street parking portfolio.

As part of TPA's ongoing commitment to the long-term stewardship of its parking assets, a comprehensive rehabilitation project is underway at CP 150. The project scope was informed by a 2021 Building Condition Assessment (BCA) completed by RJC Engineers, which identified required repairs to the traffic deck, waterproofing system, concrete structure, drainage infrastructure, exhaust fans, and related mechanical and electrical systems. In 2024, TPA retained Sense Engineering to complete detailed design, tendering, permitting, and construction administration, with the consultant's scope further refined through site reviews. Following the Board's approval on March 4, 2025, TPA awarded the construction contract to Heritage Restoration Inc. (HRI) for \$5.25 million, with work planned in phases to maintain partial operation of the facility during construction.

During the initial phase of construction in late 2025, removal of the asphalt traffic deck and waterproofing system exposed underlying structural concrete and revealed structural irregularities including radial cracking at multiple column locations.

A comprehensive structural investigation was immediately initiated. Preliminary structural analysis determined that temporary shoring was required at column on every level. The contractor implemented installation of additional supports without delay. As a precautionary measure, full removal of the asphalt system across the garage and waterproofing was completed to reduce load on the structure and to allow complete evaluation of the slab conditions across the facility.

Following full removal of the traffic deck system, additional investigation identified several structural deficiencies, including anomalies at the column-slab interfaces, discrepancies between original design drawings and as-built structural member sizes, and concrete material properties below the specified design requirements.

Sense Engineering (GTA) Ltd. recommended that the structural repairs identified through the investigation be incorporated into the current State Of Good Repair (SOGR) repairs contract. Given the nature of the deficiencies and the need for continuity in sequencing, quality control, and site coordination, it is most efficient and technically appropriate for the existing contractor to undertake this additional work as part of the ongoing construction activities. The independent peer reviewers concurred with this approach, confirming that the current contractor is best positioned to complete the structural strengthening work effectively and without disruption to the project.

To ensure technical robustness and independent validation, TPA engaged third-party structural peer reviewers: Engineering Link completed peer reviews of the investigation and analysis, and Honeycomb Engineering conducted the structural peer review of the structural repair design package. Based on the investigation and peer-reviewed analyses, the assessment confirmed that structural strengthening repairs be included as part of the current SOGR work scope are required at most column locations to ensure the structure meets an acceptable level of safety. Additionally load reduction on the existing slab is required, and new concrete and steel columns must be introduced to support the slab structure.

Further, the consultant recommended replacing the existing asphalt traffic deck with a lighter-weight polyurethane methacrylate (PUMA) system, which provides comparable durability while reducing the dead load on the slab.

Strengthening repair drawings and documentation were issued to the contractor, HRI, and their proposed repair costs were subsequently reviewed and validated by TPA's consultant, Sense. The verified costs are summarized in Table 1 - Structural Strengthening Repair Costs.

Table 1 – Structural Strengthening Repair Costs

Structural Strengthening Items	Repair Costs
Mobilization, Bonding, Insurance, etc.	\$294,000
Concrete Column Structural Upgrades	\$1,775,000
Addition of new steel columns & vertical structure	\$543,000
Cost premium to replace asphalt traffic deck with thin traffic deck coating	\$1,822,000
Testing & Investigation Allowances	\$700,000
Permit Fee Allowance	\$120,000

Structural Strengthening Items	Repair Costs
Subtotal	\$5,260,000
Contingency	\$1,500,000
Total Construction Repair Costs	\$6,760,000
Total Consultant Repair Fees for Analysis, Design and CA Related to Strengthening	\$500,000

The costs reflect current market conditions, including rising material and oil prices, applicable tariffs, and constraints imposed by the City of Toronto's ban on on-street occupancy permits from May 1 to July 31, 2026, related to FIFA events.

To confirm that HRI's proposed change order costs were reasonable, competitive, and aligned with industry norms, TPA engaged its retained cost consultant to conduct an independent review. The review determined that HRI's proposed costs were approximately 20% below expected industry benchmarks.

As the strengthening work progresses, additional concealed structural conditions may be exposed, introducing uncertainty to scope, schedule, and cost. To proactively manage this risk, additional investigation is in progress, and an elevated contingency allowance has been incorporated.

Upon confirming the serious nature of the structural deficiencies, temporary shoring and other interim safety measures were promptly deployed. To reiterate, these measures ensure public safety until the full repair program can be executed. The recommended strengthening work is necessary to ensure the long-term safety and performance of the garage, which supports residential buildings owned by TCHC and public laneways owned by City of Toronto Transportation Services.

To proceed with the required corrective work, TPA is seeking the Board's approval for:

- Additional construction costs associated with column and slab strengthening.
- Additional consultant fees for expanded design scope, testing and investigation, structural analysis, and construction-phase support.
- A design contingency to address potential refinements as remediation progresses.

Despite the significant increase in project cost, from \$5,245,943.42 to \$12,005,943.42, due to the unforeseen column strengthening and traffic deck replacement scope, the additional work is directly and materially connected to the original CP150 rehabilitation

project and tender. The work arises from structural conditions identified during execution of the approved rehabilitation scope and is required to complete the project safely and effectively.

As such, the additional structural repair and traffic deck replacement work is appropriately managed as a change order to the existing contract, rather than as a separate procurement. Retendering the work would introduce unnecessary delay, increase project risk, and potentially compromise continuity of design responsibility, construction sequencing, and site safety. It may also expose TPA to contract termination costs, remobilization costs, claims for delay, and additional carrying costs associated with extending the project schedule.

Proceeding by change order allows the required repairs to advance efficiently while maintaining accountability, cost control, and alignment with the original project objectives. This approach also reduces the risk of further disruption to the facility, the supported TCHC residential buildings, and the City-owned public laneways above the structure.

CONTACT

Jarrett McDonald, Vice President, Operations, Toronto Parking Authority,
(437) 833-3363, Jarrett.McDonald@greenpmobility.com

Howard Jung, Director of Parking Infrastructure & Asset Management, Toronto Parking Authority, (437) 249-7391, Howard.Jung@greenpmobility.com

SIGNATURE

W. Scott Collier, President
Toronto Parking Authority